



FAIRFAX COUNTY

DEPARTMENT OF PURCHASING & SUPPLY MANAGEMENT

12000 Government Center Parkway, Suite 427

Fairfax, Virginia 22035-0013

www.co.fairfax.va.us/dpsm

V I R G I N I A

Telephone: (703) 324-3201 Fax: (703) 324-3228 TTY 1-800-828-1140

MAR 1 6 1999

REVISED NOTICE OF AWARD OF CONTRACT

SUBJECT: Procurement Card Services

CONTRACT NUMBER: RQ99-217069-16A

COMMODITY CODE: 8961

CONTRACT PERIOD: February 12, 1999 through February 13, 2003

RENEWALS: 3-1 year renewals

SUPERSEDES CONTRACT: RQ95-000025-16A

CONTRACTOR(S):

A- The First National Bank of Chicago
First Chicago NBD Purchasing
P.O. Box 73661
Chicago, IL 60673

Attn: Michael Cummins, Vice President

Telephone: (312) 732-4565

Fax: (312) 732-1485

VENDOR CODE(S):

B360899825 01

PRICE: See Contract Folder for details

FOB: Destination

P&SMA CONTRACTUAL CONTACT:

Lonnette Robinson, CPPB

Telephone Number: (703) 324-3281

SPECIAL INFORMATION AND INSTRUCTIONS FOR COUNTY AGENCIES ONLY:

A purchase order will be issued by the Department of Purchasing and Supply Management to the Contractor for each County Agency utilizing this contract. The purchase order will cite the period of time and will indicate an agency authorization order code to be used when ordering to identify those County employees who are authorized to place orders/calls.

Those agencies appearing on the Distribution List, who require the items and/or services covered by this contract, and who have not already done so, shall prepare and enter into CASPS (County and Schools Procurement System) a purchase requisition indicating the period of time to be covered within the life of the contract; listing the names of the County employees authorized to place orders; and the purchase requisition shall be annotated with the contract number indicated on page 1.

A Purchase Order (PO) Supplement may be prepared after issuance of the purchase order, by an agency desiring to:

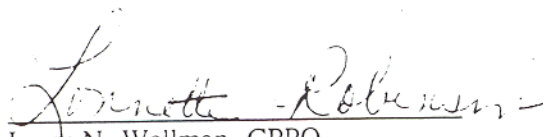
- a. Change period of time.
- b. Cancel the purchase order.

The PO Supplement must be entered into CASPS and reserved into the ONLINE FAMIS System by the agency prior to the Purchasing Branch taking any action.

The time, place, and other requirements for delivery of supplies and/or performance of services shall be as agreed between the county employee authorized to place orders, and the Contractor.

Inspection of supplies delivered and services performed and entering receipt activity into CASPS along with necessary documents are promptly forwarded to the Office of Finance, are the responsibilities of the ordering agency.

Items NOT covered by this contract MUST be requested on a separate purchase requisition.


Larry N. Wellman, CPPO
Director/County Purchasing Agent

DISTRIBUTION:

Office of Finance - Accounts Payable
DPSM - Systems Administration Section
DPSM - Mable McCarthy
DPSM - Mary Jane Comly
FCPS - Bo Zagurski
DIT - Gordon Jarratt

Contract Administrator
DPSM - Sandy Jones
Control Copy
Park Authority - Sandi Levermann
FCPS - Dean Tistadt
Finance - Kelly Lehman

PURCHASING CARD AGREEMENT

This Agreement is entered into this 19th day of February 1999, between The First National Bank of Chicago (the "Bank"), a national banking association, and Fairfax County, Virginia, an urban county executive form of government (the "Customer").

1. *Purchasing Card System.* The Purchasing Card System (the "System") has been designed to process small purchases and to reduce the need to process vendor invoices and issue checks. Subject to the terms of this Agreement, the Bank and the Customer hereby agree that commencing on the date of this Agreement the Bank will provide the Customer with purchasing cards and related services and the Customer will be able to use the purchasing cards to purchase goods and services from any merchant that accepts MasterCard® cards. "Card" shall mean an account number assigned to the Customer and the related account and any card bearing such account number.

2. *Conditions Precedent.* Prior to the commencement of any service rendered by the Bank pursuant to this Agreement, the Customer shall:

A. Furnish to the Bank documents evidencing the Customer's authorization (e.g., Board of Directors resolution, partnership letter, Board of Trustees resolution, Executive Order in the case of a public body, etc.) to execute and deliver this Agreement for the use of a procurement card, together with specimen signatures of those individuals authorized on behalf of the Customer.

B. Pursuant to the Request for Proposal RFP 9921706916 ("RFP"), designate in a mutually agreeable manner (1) officers, employees and agents authorized to use the Cards pursuant to the System and (2) limits and reporting structures applicable to use of such Cards. The Bank may rely upon any such designation or instructions received in such mutually agreeable manner until such time as the Bank shall have received notice to the contrary.

3. *Obligations of the Bank.* In connection with the Customer's participation in the System, the Bank shall:

A. Issue Cards to employees and/or agents of the Customer ("Cardmembers") designated by an Authorized Person. The Cards are non-transferable, non-assignable and shall remain the property of the Bank.

B. Process extensions of credit in an aggregate amount not exceeding \$2,500,000 (Two Million Five Hundred Thousand Dollars) (the "Credit Limit") as provided herein.

C. Implement the purchase limits (the "Purchase Limits") specified by the Customer from time to time and accepted by the Bank in accordance with the terms of the RFP and the Response. The Purchase Limits and any changes to the Purchase Limits must be in writing or by such other method as may be mutually agreed upon by the Bank and the Customer. Changes to the Purchase Limits shall be effective when the Bank has had a reasonable opportunity to act thereon.

D. Provide the Customer with the reports and the daily transactions data (the "Daily Data File") by such method as the parties may agree to fulfill the Customer's weekly reconciliations.

4. *Obligations of the Customer.* In connection with the Customer's participation in the System, the Customer shall:

A. Designate at least ten (10) Cardmembers, specify Purchase Limits for the Cardmembers, and notify the Bank of any changes of the Cardmembers or in the Purchase Limits applicable to Cardmembers in a mutually agreeable manner. The Customer acknowledges that if it uses the ProValue SERVICES™ software in

connection with the System, such use shall be subject to the provisions of the ProValue SERVICES™ software License Terms attached hereto as Exhibit C and made a part hereof.

B. Pay the Bank the amount of all transactions made using any Card subject to the terms and conditions herein. Make payment weekly on Friday for all transactions appearing in the Daily Data File on the previous Monday through Friday or if such day is a Bank holiday, the next business day (the "Payment Date"). The Customer shall make payment by wire transfer or automated clearinghouse transfer to an account designated by the Bank. If all or any portion of a payment owed by the Customer is not received by the Bank by the Payment Date, then the amounts outstanding shall bear interest, from the first day after the Payment Date to the date on which the Bank receives such payment in full, at a per annum rate equal to the Bank's corporate base rate as announced from time to time plus 2% per annum, changing when and as such corporate base rate changes. Such interest shall be calculated on the daily outstanding amount for each day during such period and on the basis of a 360-day year.

C. Immediately notify the Bank by telephone of any lost, stolen, misappropriated or improperly used Cards or any Cards which the Customer no longer requires in its operation. The Customer shall not be liable for charges made with a Card after the Bank is notified that the Card has been lost, stolen, misappropriated or improperly used. The Customer shall pursue the collection and destruction of any Cards it no longer requires in its operations. The Customer shall not be liable for charges waived under the MasterCoverage® Liability Protection Program attached hereto as Exhibit A.

D. Notify the Bank in writing of any disputed or unauthorized transaction within sixty (60) days of the last day of the Cycle during which such transaction is charged to the Customer. "Cycle" shall mean the monthly period ending on the same day each month, or, if that day is a Saturday, Sunday or a Total System Services Inc. ("TSYS") holiday, the prior business day. If the Customer is liable to the Bank for such transaction pursuant to this Agreement, the Bank will use reasonable efforts to assist the Customer in attempting to obtain reimbursement from the Merchant; provided, however, that the Customer understands that if it is using Cards assigned to a department or vehicle, rather than in a Cardmember's name, it is waiving certain dispute rights with respect to such department or vehicle assigned Cards, where a Cardmember's signature is required according to the MasterCard Chargeback Guide. Cards assigned to a department or vehicle will not receive the following MasterCard® benefits: MasterCoverage® Liability Protection insurance, MasterRental® Insurance Coverage, MasterAssist Medical Protection®. The following MasterCard® benefits are available with a department or vehicle assigned card: MasterTrip® Travel Assistance, MasterRoadAssist® Roadside Service, MasterLegal® Referral Service. If the Bank is liable to the Customer for such transaction pursuant to this Agreement, the Customer will use its reasonable efforts to assist the Bank in attempting to obtain reimbursement from the Merchant. The Bank shall not be liable for any transaction where notice of the disputed or unauthorized transaction is received from the Customer more than sixty (60) days after the last day of the Cycle during which such transaction is charged to the Customer. The Customer shall not make a claim against the Bank or refuse to pay any amount because the Customer or the person using the Card may have a dispute with any Merchant as to the goods or services purchased from such Merchant which has honored the Card for that purchase.

E. Not exceed the Credit Limit; provided, that if the Customer exceeds the Credit Limit, the Customer shall pay amounts exceeding the Credit Limit, except as otherwise provided herein.

F. Upon request, provide the Bank with copies of its annual reports within fifteen days (15) after such information is made publicly available and with such additional information and documents as the Bank may reasonably request.

G. Use the Cards established pursuant to this Agreement for procurement purchases, travel and entertainment, and for purchases with Merchants inside and outside the United States. Cards authorized for travel and entertainment will be entitled to travel accident and lost luggage insurance benefits, and the travel and entertainment features described in the MasterAssist® Travel Assistance Services brochure. Establish

reasonable procedures to assure that vehicle assigned Cards are used only at fuel and maintenance locations, provided, that if the Cards are used at other than fuel or maintenance locations, the Bank may still charge the Customer for all such transactions.

H. Driver assigned fleet cards will be entitled to the following benefits: MasterCoverage® Liability Protection insurance and the MasterAssist® Travel Assistance and MasterRental® Insurance Coverage services described in the MasterCard Corporate Fleet Card Guide to Benefits.

5. *Representations and Warranties of the Customer.* As of the date hereof, and the date of each transaction hereunder, the Customer represents and warrants to the Bank that:

A. The Customer is duly organized, validly existing and in good standing under the laws of its jurisdiction of organization and has all requisite authority to conduct its business in each jurisdiction in which its business is conducted.

B. The execution and delivery by the Customer of this Agreement and the performance of its obligations hereunder have been duly authorized by proper organizational proceedings, and this Agreement constitutes the legal, valid and binding obligation of the Customer enforceable against the Customer in accordance with its terms.

C. To the best of its knowledge, neither the execution and delivery by the Customer of this Agreement, nor the consummation of the transactions herein contemplated, nor compliance with the provisions hereof (i) will violate any law, rule, regulation, order, writ, judgment, injunction, decree or award binding on the Customer, (ii) will violate the Customer's organizational documents or (iii) will violate materially the provisions of any indenture, instrument or agreement to which the Customer is a party or is subject, or by which it, or its property, is bound, or conflict with or constitute a default thereunder. No order, consent, approval, license, authorization, or validation of, or filing, recording or registration with, or exemption by, any governmental or public body or authority, or any subdivision thereof, is required to authorize, or is required in connection with the execution, delivery and performance of, or the legality, validity, binding effect or enforceability of, this Agreement except as otherwise provided herein.

6. *Fees.* The Customer agrees to pay the fees and charges incurred by the Customer as specified by the Bank, from time to time, on a monthly invoice. The fees initially applicable are specified in Exhibit B attached hereto. The Bank may change the fees and charges payable by the Customer at any time provided the Bank notifies the Customer at least thirty (30) days prior to the effective date of the change.

7. *Termination.* This Agreement may be terminated by the Bank at any time for any reason and the Bank may refuse to allow further transactions or revoke any or all of the Cards at any time and for any reason. The Customer also may terminate this Agreement and/or cancel any or all of the Cards at any time and for any reason. In the event this Agreement is terminated for any reason, the Customer shall immediately pay amounts owing under this Agreement, without set-off or deduction from the Customer's accounts held by the Bank, and destroy all physical Cards furnished to Cardmembers. The Customer shall be liable as provided in this Agreement for any charges made through use of the Cards. Sections 4.B, 4.C, 4.D, 4.E, 6, 7, 8, 10, 11.C, 11.D, 11.E, 11.G and 11.J shall survive the termination of this Agreement.

8. *Limitation of Liability and Indemnification.* The Bank will be liable only for direct damages if it fails to exercise ordinary care. The Bank shall be deemed to have exercised ordinary care if its action or failure to act is in conformity with general banking usages or is otherwise a commercially reasonable practice of the banking industry. The Bank shall not be liable for any special, indirect or consequential damages, even if it has been advised of the possibility of these damages. This provision shall survive termination of this Agreement as to matters that occurred during its terms.

9. *Notices.* All notices and other communications required or permitted to be given under this Agreement shall be in writing except as otherwise provided herein and shall be effective on the earlier of the date on which such notice is actually received by the party to which addressed or three days after such notice has been deposited in the United States mail, postage prepaid. All notices shall be sent to the address set forth below or such other address as specified in a written form from one party to the other.

To the Bank: The First National Bank of Chicago
One First National Plaza, Suite 0199
Chicago, Illinois 60670-0199
Attn: Corporate Card Services

Copy to: FCC National Bank
2500 Westfield Drive
Elgin, Illinois 60123
Attn: Purchasing Card B-3

To the Customer: Fairfax County, Virginia
12000 Government Center Pkwy, Suite 427
Fairfax, Virginia 22035
Attn: Ms. Lonnelle Robinson

10. *Data Processing.*

A. Data processing services for the System will be provided by TSYS. Information processing services for the System may be provided by ProCard, Inc. The Bank is hereby authorized to provide transaction data from the System to MasterCard International, Inc. ("MasterCard") and, when appropriate, ProCard, Inc.

B. "Authorize" or "Authorization" shall mean the approval of a purchase transaction for which a MasterCard merchant (the "Merchant") has requested authorization, in accordance with the Purchase Limits specified by an Authorized Person. The Customer understands that Cardmembers will be able to use the Cards for, and the Customer will be liable for, certain transactions where Authorization is not required by the MasterCard system (e.g., transactions which are under the floor limit set for the Merchant) and that such transactions may exceed or violate the Purchase Limits specified by the Customer. The Bank will attempt to insure that Purchase Limits set by the Customer are followed pursuant to MasterCard procedures. The Purchase Limits shall be deemed to have been followed when Authorization occurs at a Merchant classified on the MasterCard system as having a merchant classification code defined as acceptable by a Cardmember's Purchase Limits even if the merchant classification code has been incorrectly assigned or when a Merchant is not required to obtain Authorization. The Customer understands that if the TSYS Authorization system is not working, all transactions will be declined Authorization.

C. During the course of this Agreement it may be appropriate and necessary for the Bank, ProCard, Inc. and TSYS to have access to certain confidential business information ("Information"), particularly purchase transaction information, and the identity, telephone numbers or mailing address of any Authorized Person or Cardmember. Accordingly, the Bank agrees, and the Bank agrees to require ProCard, Inc. and TSYS to agree, to consider the Information as confidential and to take all reasonable precautions to prevent disclosure of the Information to third parties and not to use the Information without the Customer's consent. This confidentiality provision shall extend to any Information the Bank, ProCard, Inc. or TSYS may learn, observe or otherwise obtain concerning the Customer incidental to the performance during the course of this Agreement. This provision shall not prevent the Bank from disclosing any Information to its regulatory authorities or pursuant to subpoena or other legal process.

11. *Miscellaneous.*

A. If any provision in this Agreement is held to be inoperative, unenforceable or invalid, such provision shall be inoperative, unenforceable or invalid without affecting the remaining provisions, and to this end the provisions of this Agreement are declared to be severable.

B. The terms and provisions of this Agreement shall be binding upon and inure to the benefit of the Customer and the Bank and their respective successors and assigns. This Agreement, or any of the rights or obligations hereunder, may not be assigned by the Customer or assumed by operation of law or otherwise without the prior written consent of the Bank. In no event shall the Customer be relieved of liability to the Bank arising hereunder unless and until a purchaser, transferee, assignee or other successor in interest to the Customer's business shall expressly assume such liability in writing and the Bank accepts such assumption of liability in writing, which acceptance by the Bank shall be solely within the Bank's discretion.

C. Neither party shall be held responsible for any act, failure, event or circumstance addressed herein if such act, failure, event or circumstance is caused by conditions beyond its reasonable control.

D. This Agreement, the RFP and the Bank's response to the RFP (the "Response") embody the entire agreement and understanding between the Customer and the Bank and supersedes all prior agreements and understandings between the Customer and the Bank relating to the subject matter thereof. In the event of a conflict between the terms of this Agreement and the RFP or Response, the terms contained herein shall control. All representations and warranties of the Customer contained in this Agreement shall survive the execution of this Agreement and consummation of the transactions contemplated hereunder.

E. This Agreement may be amended or waived only by notice to the Customer in writing from the Bank. All remedies contained in this Agreement or by law afforded shall be cumulative and all shall be available to the parties hereto.

F. Anything contained in this Agreement to the contrary notwithstanding, the Bank shall not be obligated to extend credit to the Customer in violation of any limitation or prohibition imposed by applicable law.

G. It is acknowledged that the Customer is a political subdivision of the Commonwealth of Virginia and is therefore exempt from taxation.

H. Section headings in this Agreement are for convenience of reference only, and shall not govern the interpretation of any of the provisions of the Agreement. The words "hereof", "herein" and "hereunder" and words of similar import when used in this Agreement shall refer to this Agreement, as it may be amended or modified from time to time, as a whole and not to any particular provision of this Agreement. The terms defined in this Agreement have the meaning assigned to them in this Agreement and include the plural as well as the singular.

I. If a purchase is made in a foreign currency, it will be converted by MasterCard into U.S. Dollars. MasterCard will use the conversion procedures (the "Conversion Procedures") published from time to time and effective at the time the transaction is processed. Currently, those Conversion Procedures provide that the currency conversion rate to be used is either a wholesale market rate or a government-mandated rate, increased by one percent. The currency conversion rate in effect on the processing date may differ from the rate in effect on the transaction date or the posting date. The currency conversion rate used may be the same as, greater than or less than the amount that would be calculated by conversion through a financial institution in the country in which the purchase occurred. The Customer understands that the Bank does not determine the currency conversion rate which is used and does not receive any portion of the currency conversion rate.

J. Payments under this Agreement shall be made in U.S. dollars.

K. This Agreement, including but not limited to the obligations set forth in paragraph 4.B and paragraph 6 hereof, is binding upon Customer to the extent of appropriations by the Fairfax County Board of Supervisors. In the event that said appropriations, or any part thereof, become unavailable as determined by the Fairfax County Board of Supervisors, this Agreement shall terminate at the end of the period for which funds have been appropriated. This paragraph is controlling and supersedes any contradictory provisions of the Statement of Exceptions provided in the Response and all financial obligations imposed by any other provision of this Agreement.

L. The Bank represents and warrants that consistent with the recommendation of the Comptroller of the Currency that all financial institutions have one full year of testing during 1999 to ensure that all systems are working properly and reliably, the Bank is working towards this goal for all of its business applications related to the year 2000 century date change. This effort is part of a vigorous and comprehensive project to inventory, assess, renovate or replace and test affected systems. The software that supports the services being offered in this Agreement is part of that effort. Upon and after the Bank's attaining this goal, the Customer shall not experience invalid and/or incorrect results related to the year 2000 century date change from any software utilized in performing these services. Working properly and reliably as it relates to the year 2000 century date change shall include, but shall not be limited to, date data century recognition, calculations which accommodate same century and multi-century formulas and date values, and date data interface values which interpret the correct century. In the event that at any time the software is found by the Customer not to function as specified in this section as a result of the date change from December 31, 1999 to January 1, 2000, notwithstanding anything to the contrary contained in this Agreement or any Service Terms, at no additional charge to the Customer, the Bank, within a commercially reasonable time after receipt of a report of a defect from the Customer, shall correct any such defect so as to enable the software to function fully in accordance with this section or provide the Customer with a different Bank product which will perform the same functions as contracted for herein. Repair or replacement as described herein shall be the Customer's sole remedy with respect to any software which does not function as specified above.

M. This Agreement may be signed in one or more counterparts, each of which shall be an original, with the same effect as if the signatures were upon the same Agreement. This Agreement shall become effective as of the date first appearing above when each of the parties hereto shall have signed a counterpart hereof.

N. The Bank shall permit the Customer or its agent to have access to and the right to examine any books, documents, papers and records of the Bank involving transactions related to the Agreement or compliance with any clauses thereunder, for a period of three (3) years after final payment.

O.. CHOICE OF LAW. THIS AGREEMENT SHALL BE GOVERNED BY AND CONSTRUED IN ACCORDANCE WITH THE INTERNAL LAWS (AND NOT THE LAW OF CONFLICTS) OF THE COMMONWEALTH OF VIRGINIA, BUT GIVING EFFECT TO FEDERAL LAWS APPLICABLE TO NATIONAL BANKS.

THE FIRST NATIONAL BANK OF CHICAGO

By

Name

Title

Cynthia P. Meyer
CYNTHIA P. MEYER
VICE PRESIDENT

FAIRFAX COUNTY, VIRGINIA

By

Name

Title

Larry N. Wellman
LARRY N. WELLMAN, DIRECTOR
PURCHASING & SUPPLY MANAGER

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EXHIBIT A

MASTERCVERAGE® LIABILITY PROTECTION PROGRAM GUIDE

MasterCard
International



MasterCoverage® Summary

*In
Control*



*Under
Protection*

EXHIBIT B

FEES

Annual Card Fee	\$0.00 per Card issued as of November 1 each year
Transaction Fee	\$0.00 per transaction
Copy Retrieval Fee	\$5.00 per copy
Emergency Card Replacement (24 hour turnaround)	\$20.00 per card

Plastic Design	
Standard	No Charge
Graphix (one standard color)	WAIVED
Custom Plastic (multiple or custom colors)	WAIVED

ProValue Services

License Fee	WAIVED
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Monthly Maintenance

1 - 10 total sites	\$150.00 per transmission site
11 - 20 total sites	\$100.00 per transmission site
>20 total sites	\$50.00 per transmission site

Super Corp Transmissions	\$50 per transmission site
(The first hierarchy is charged the standard monthly maintenance fee. All incremental transmissions are charged at the super corp rate.)	

Custom Mapper Programming	\$0 per first non-EDI mapper
	\$1500 per additional non-EDI mapper
	\$100 per hour EDI mapper**, mapper upgrade

** After first 15 hours

Custom Report Programming	\$100 per hour
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Installation & Training	\$350 per endpoint remote installation (incl. 2 manuals) WAIVED
	\$500 per endpoint on-site installation plus travel (incl. 2 manuals) WAIVED
	\$500 per day plus travel for additional training and installation
	\$295 per person, one-day training class at ProCard, Inc.*
	\$495 per person, two-day training class at ProCard, Inc.*

* Training class fees will be assessed directly by ProCard, Inc. and paid to ProCard, Inc. by the Customer for optional training which does not include initial training waived above.

Additional Manuals	\$75 per additional manual
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Pathway Software Sub-License

WAIVED

Monthly Maintenance

1 - 10 total sites

11 - 20 total sites

> 20 total sites

\$150 per transmission site

\$100 per transmission site

\$50 per transmission site

Super Corp Transmissions

\$50 per transmission site

(The first hierarchy is charged the standard monthly maintenance fee. All incremental hierarchy files are charged at the super corp rate.)

Custom Mapper

\$0 per first non-EDI mapper

\$2500 per add'l non-EDI mapper

\$150 per hour EDI mapper*, any mapper upgrade

* After first 15 hours

Custom Programming

\$150 per hour

Training & Installation

~~\$750 per endpoint on-site installation + travel~~ WAIVED
 \$750 per day + travel for add'l Pathway training/installation
 \$295 per person, one-day training class at ProCard, Inc.*
 \$495 per person, two-day training class at ProCard, Inc.*

* Training class fees will be assessed directly by ProCard, Inc. and paid to ProCard, Inc. by the Customer for optional training which does not include initial training waived above.

Incentive Schedule

At such time that the Fairfax County Purchasing Card program calendar year net volume reaches the levels described below*, the following incentive schedule would apply to net charge volume (not including cash advances or convenience checks) if settlement terms are 14 days after the end of each 30 day billing cycle:

AVG. TRANS SIZE	NET ANNUAL PURCHASE VOLUME (IN MILLIONS)				
	\$0 - < \$5	\$5 - < \$10	\$10 - < \$20	\$20 - \$40	> \$40
\$100 - < \$200	.05%	.10%	.20%	.30%	.40%
\$200 - \$300	.15%	.20%	.30%	.40%	.50%
> \$300	.25%	.30%	.40%	.50%	.60%

Escalators to the schedule above:

- Add 10 basis points if payment is made 7 days after a 30 day billing cycle
- Add 20 basis points if payment is made 7 days after a two-week billing period
- Add 25 basis points if payment is made 7 days after a weekly billing period
- Add 35 basis points if payment is made daily

* For 1999, the Bank will review the Customer's volume based on the months of usage and annualize it to determine the applicable rate for 1999.

To qualify for incentive awards, account must be current at the end of the calendar year. Incentive awards will be paid by check in January for the previous calendar year.

PROVALUE SERVICES™ SOFTWARE SUB-LICENSE TERMS

1. *Sublicense.* The Bank is licensed by ProCard, Inc. ("ProCard") to Sublicense the ProValue SERVICES™ software (the "PVS Software"). The Bank hereby grants to Customer, and the Customer accepts a non-transferable, non-exclusive right and sublicense to use the PVS Software.
2. *Term of Sublicense.* The term of the sub-license granted for the PVS Software shall be coextensive with the Term of the Participation and License Agreement between ProCard and the Bank (the "License Agreement") and shall terminate upon and simultaneously with the termination of such License Agreement or when the Purchasing Card Agreement terminates, whichever shall first occur. The Bank shall notify the Customer as promptly as practicable after the Bank has been notified of the termination of the License Agreement.
3. *No Proprietary Rights.* The Customer acknowledges that it does not obtain through this Sub-License Agreement any right to copy, right to purchase, or other proprietary right in or to the PVS Software used to provide such services or to any systems designs, billing concepts, programming or other unique data processing techniques used in providing such services.
4. *Recognition of ProCard Ownership.* Except for the rights explicitly granted to the Customer in this Sub-License Agreement, (a) the Customer acknowledges the exclusive right and title of ProCard in and to the PVS Software; and (b) the Customer will not do or cause to be done any act ~~directly or indirectly~~ impairing ProCard's rights, title or interest in the Software.
5. *Limitation of Liability.* EXCEPT AS PROVIDED IN THIS AGREEMENT, NEITHER THE BANK NOR PROCARD MAKES ANY WARRANTY EXPRESSED OR IMPLIED AND THERE ARE EXPRESSLY EXCLUDED ALL WARRANTIES OF MERCHANTABILITY AND FITNESS FOR A PARTICULAR PURPOSE. NONE OF THE PARTIES WILL HAVE ANY LIABILITY WITH RESPECT TO ITS OBLIGATIONS HEREUNDER FOR CONSEQUENTIAL, EXEMPLARY, OR SPECIAL, INDIRECT DAMAGES EVEN IF IT HAS BEEN ADVISED OF THE POSSIBILITY OF SUCH DAMAGES.
6. *Confidentiality.*

A. *Confidential Information Defined.* It is contemplated that the Bank may disclose to the Customer information concerning ProCard's inventions, confidential know-how and trade secrets to further performance of this Sub-license Agreement. "Confidential Information" means technical and business information relating to ProCard's inventions or products, research and development, production, manufacturing and engineering processes, and Software (furnished on floppy disks or by direct downloading of the Software to hardware of the Customer), costs, profit or margin information, finances, customers, marketing, and production and future business plans; all related information and documentation; and any other information which is marked "Confidential" or otherwise identified to be confidential. Nothing in this Sub-license Agreement shall be read to state or imply that any title to or license of or interest in such Confidential Information has in fact been granted to the Customer except as expressly set forth in this Sub-License Agreement. However, the Bank must invoke the protection described herein by identifying the data or other materials to be protected.

B. *Customer's Confidentiality Agreement.* Except to the extent that disclosure is required under the Virginia Freedom of Information Act or other applicable law, Customer agrees that it will hold the Confidential Information in strict confidence and will only use the Confidential Information in connection with the receipt by the Customer of services under the Purchasing Card Agreement (the "Agreement") and it will not make disclosure of the Confidential Information (including methods or concepts utilized in the Confidential Information) without the express written consent of ProCard, except to employees to whom disclosure is necessary to the performance of the Agreement. The Customer will take all reasonable steps to ensure the confidentiality of all Confidential Information.

C. *Customer Confidential Information Defined.* During the course of the Agreement it may be appropriate and necessary for ProCard to have access to certain confidential business information ("Information"), particularly purchase transaction information, and the identity, telephone number and mailing address of any Authorized Signer or Cardmember. Accordingly, ProCard has agreed to consider the Information as confidential and to take all reasonable precautions to prevent disclosure of the Information to third parties and not to use the Information without the Customer's written consent other than the fulfillment of ProCard's responsibilities under the License Agreement. This agreement extends to any Information that ProCard may learn, observe or otherwise obtain in connection with the Purchasing Card Agreement during the term of the Sub-License

Agreement. This agreement shall not prevent ProCard from disclosing any Information to as may be required by applicable law.


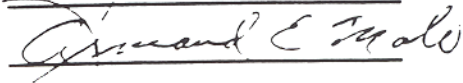
D. Bank's Confidentiality Agreement. Bank agrees, and it will cause ProCard to agree, to hold the Customer Confidential Information in strict confidence and will only use the Customer Confidential Information in connection with the rendering by the Bank or ProCard of services under the Purchasing Card Agreement and this Sub-License Agreement. The Bank agrees, and it will cause ProCard to agree, to not make any disclosure of the Customer Confidential Information (including methods or concepts utilized in the Customer Confidential Information) to anyone without the express written consent of the Customer, except to employees to whom disclosure is necessary to the performance of this Sub-License Agreement and the Purchasing Card Agreement. The Bank agrees, and it will cause ProCard to agree, to take all reasonable steps to ensure the confidentiality of all Customer Confidential Information.

E. Exceptions. Notwithstanding the other provisions of the Sub-License Agreement, nothing received by the Customer will be considered Confidential Information of ProCard if: (i) it has been published or is otherwise readily available to the public other than because of breach of the this Sub-License Agreement; (ii) it has been rightfully received by the Customer from a third party other than ProCard or the Bank without confidentiality limitations; (iii) it has been developed for the Customer by personnel or agents without the use of ProCard's Confidential Information; or (iv) it is required to be disclosed by order of court or other governmental authority.

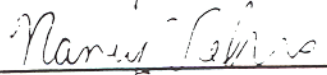
7. *Survival of Obligations.* All restrictive provisions of this SubLicense Agreement shall survive termination of this sublicense.
8. *Remedies.* The parties hereby agree that in the event of a breach of the foregoing confidentiality provisions in any manner, monetary damages would be inadequate as full compensation, and therefore any court of competent jurisdiction may also enjoin the breaching party from disclosing or using the Confidential Information encompassed by the Sub-License Agreement.
9. *Return of Information.* Upon any termination of the Purchasing Card Agreement or this Sub-License Agreement, each party will return or cause to be returned within thirty (30) days all originals and copies thereof of all Confidential Information of the other party that has been fixed in any tangible means of expression or certify to such party the destruction of all copies of the Confidential Information of such party in its possession.

Certificate of Incumbency

I, the undersigned, DO HEREBY CERTIFY, that the following are the duly elected, qualified, and acting officers of Fairfax County Government - Dept. of Purchasing a ^{local government} ~~corporation~~ duly organized, and existing under the Laws of the State of Virginia that they are now serving in the official capacities set opposite their respective signatures, and that their signatures as set forth below are genuine:

Title	Name	Signature
<u>Larry N. Wellman</u>	<u>Agency Director</u>	<u></u>
<u>Armand E. Malo</u>	<u>Assistant Director</u>	<u></u>
<u> </u>	<u> </u>	<u> </u>
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In Witness Whereof, I have hereunto subscribed my name and have caused the corporate seal of said Corporation to be hereunto affixed this 11th day of February 1999.


[1], Secretary

(CORPORATE SEAL)